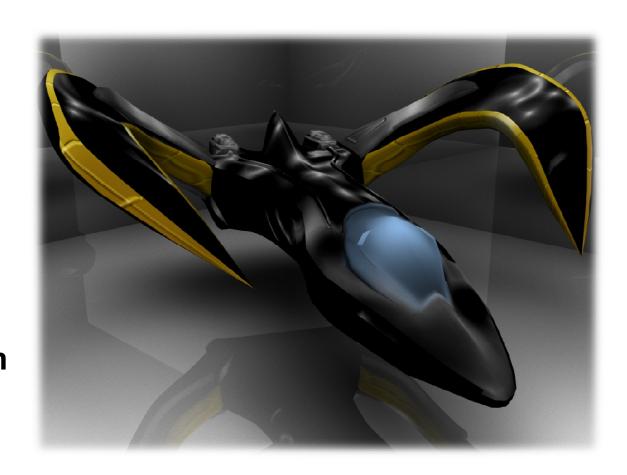
The Future of the Travel Industry – Scenarios for 2020

ITB Future Day March 9th 2011

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Hotels 2020 – Objectives

- Identify key drivers of change for the globally branded hotel sector over the next decade
- Examine the implications for:
 - Hotel strategy
 - > Brand portfolio
 - Business models
 - Customer targeting
 - > Innovation



Hotels 2020: Beyond Segmentation

Strategies for growth in an era of personalization and global change





Hotels 2020 – Research Methods

- Expert Interviews
- Desk Research
- Global Survey
- Workshops (Delhi, Dubai)



Transformational Change? It's Only Just Begun

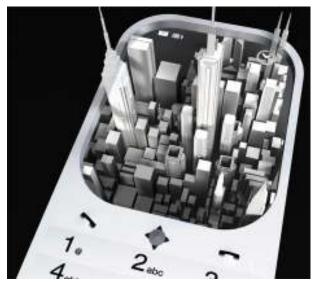


App Culture - What I Want – When I Want



Next Generation Smart Phones could Transform the Travel Experience





http://blog.core-ed.net/derekarchives/NokiaFanPhone.jpg
http://www.concept-phones.com/wp-content/uploads/2009/06/trou_hologram_flexible_concept_phone_2.png
http://www.geek.com/wp-content/uploads/2010/08/Steve-Jobs-hologram-on-iPhone.jpg

Augmented Reality / Interactive Data Eyeglasses





Holographic Displays



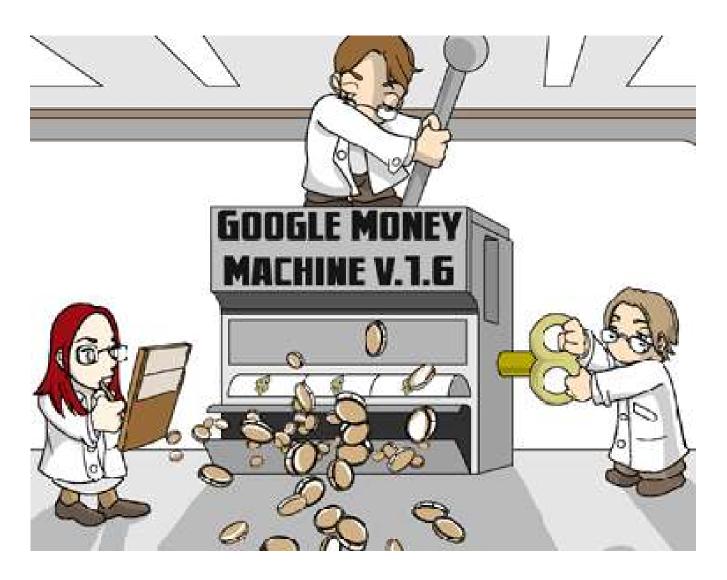
http://www.livetradingnews.com/wp-content/uploads/hp_3d_laptop.jpg

Personalization





Real Time / Predictive Analytics



Demographic Destinies 2 billion more people in 40 years – Demographics is Driving Economics

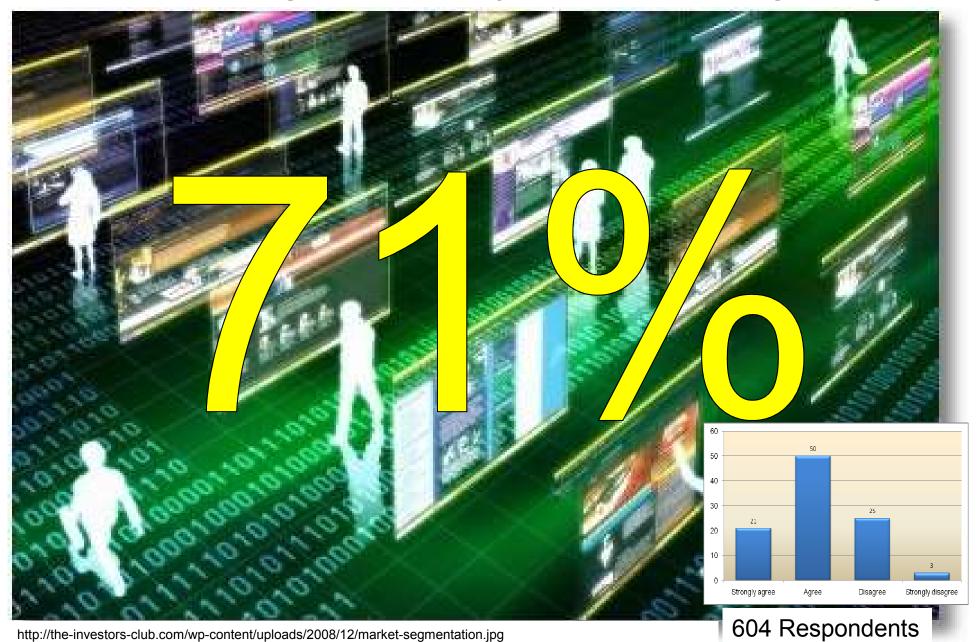


Traveller Behaviours

- Too Busy To Care
- Complex Lives,
 Pressurised Finances
- Craving Simplicity
- Wealthy and Hard to Please



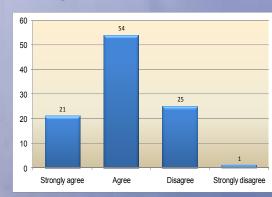
Traveler motivations will become increasingly fragmented and diverse and harder to segment into clearly definable customer groupings



Customers will increasingly use social media and collective intelligence travel services (like Dopplr) to define the desired 'product' for a temporary selfforming group.



The Asian middle classes will make up the largest share of international travel

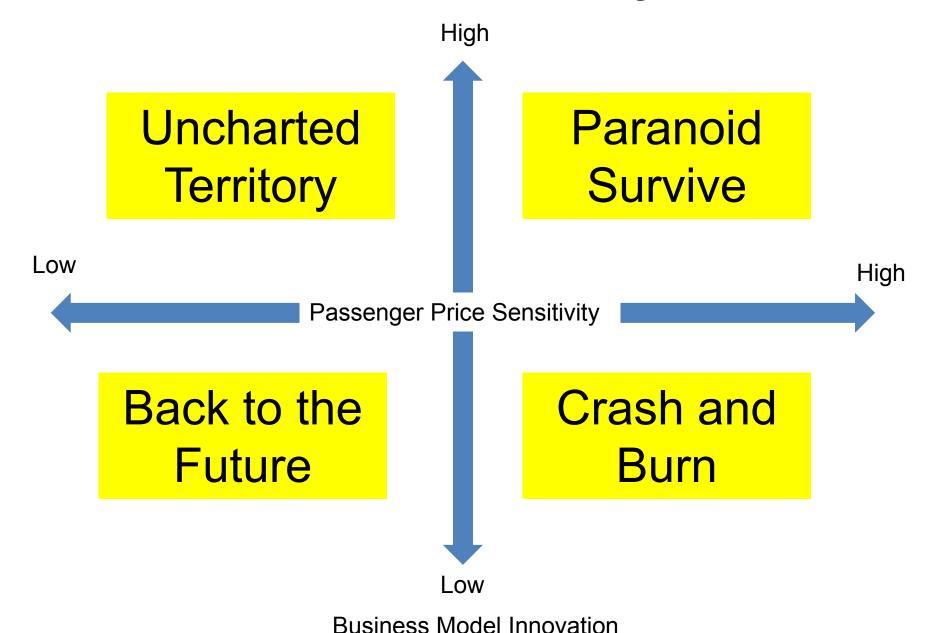


600 Respondents

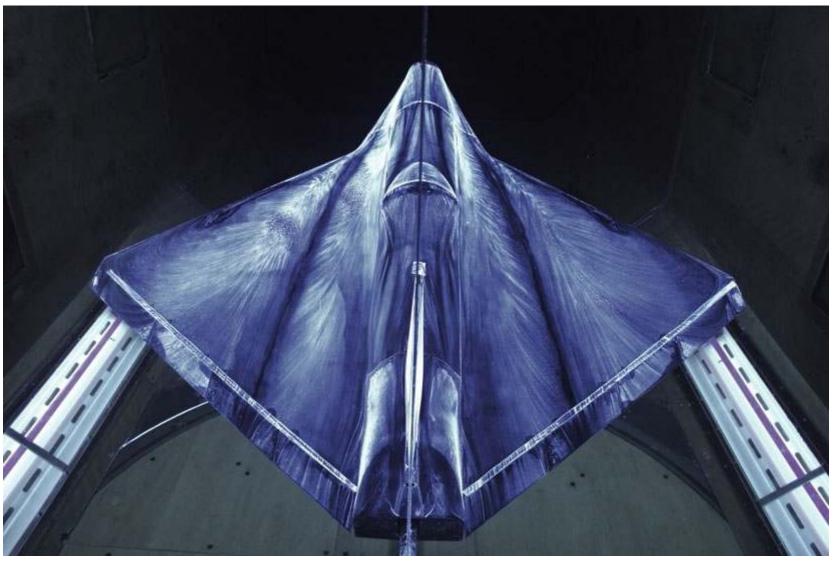
Reorientation of Global Markets



Fast Future's Airline Industry Scenarios



Virtual Airlines

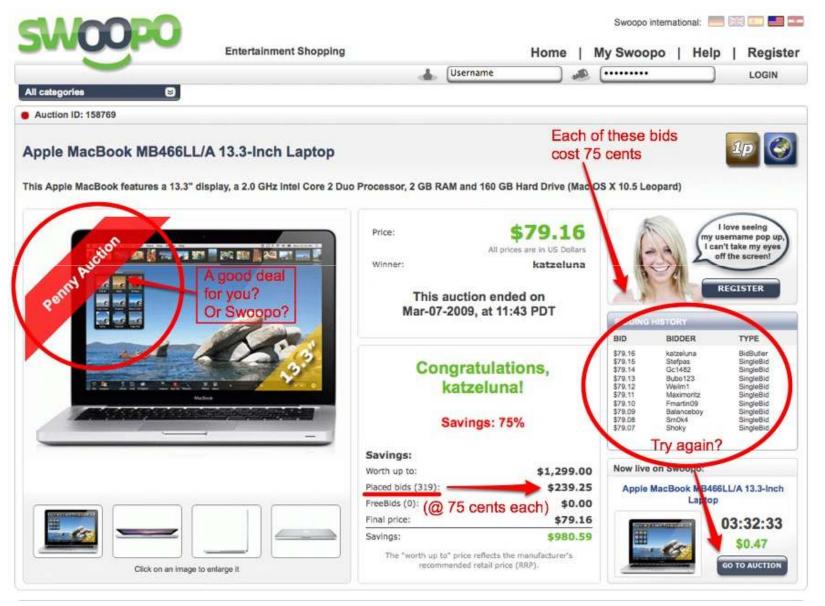


http://news.discovery.com/tech/zooms/flapless-demon-aircraft.html

Aviation Profit Pools



Swoopo - The \$17,739 iPad

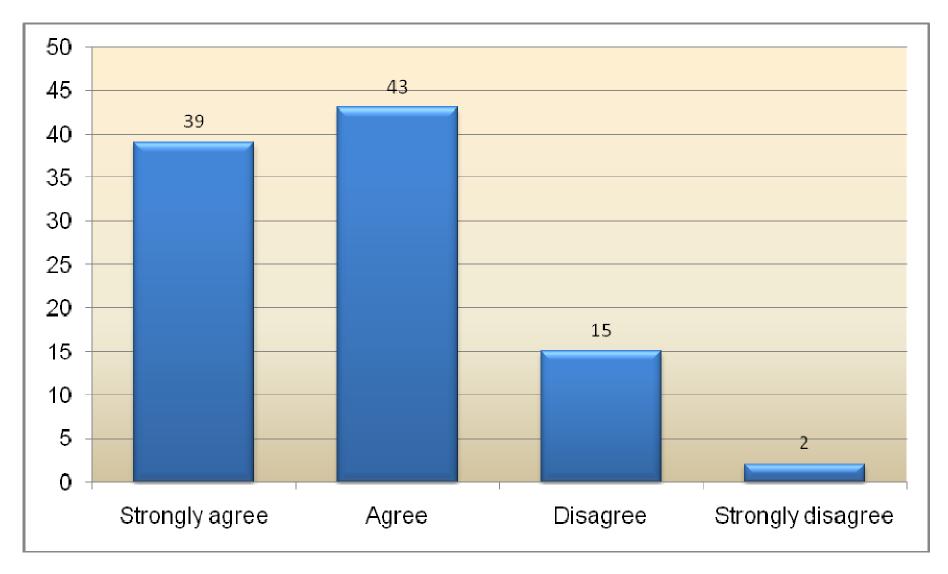


http://i.zdnet.com/blogs/auctions-cheap-apple-macbook-mb466ll_a-133-inch-laptop-auctions-bid-win-on-swoopo.jpg

Heavy investment in emerging tourism markets will widen traveller choice, increase competition and potentially drive down prices and profit margins across the spectrum of hotels



Sustainability



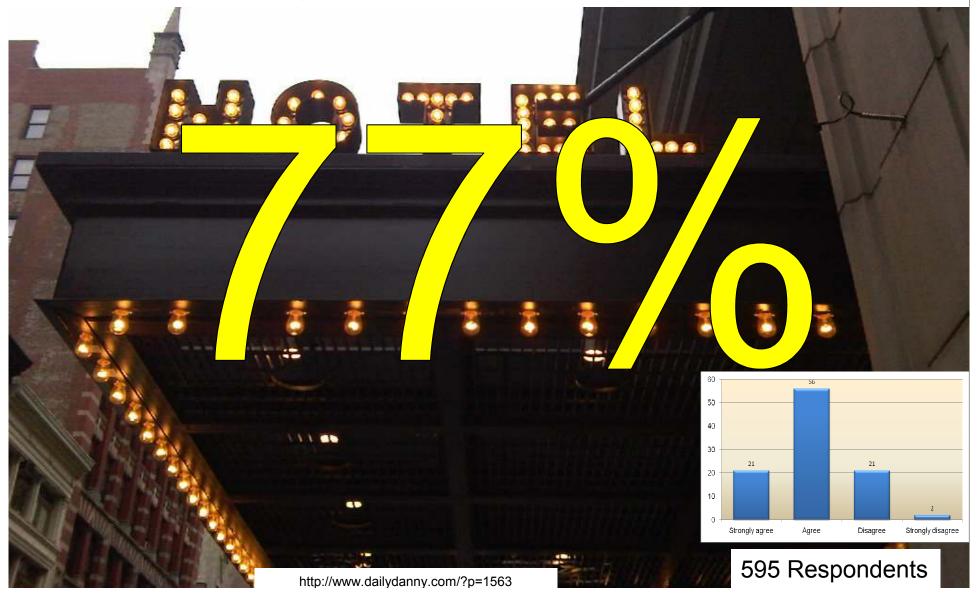
Environmental considerations will play an increasing role in the choice of business and leisure hotels. 606 Respondents



By 2020 a new category of co-branded and co-designed 'signature' properties will emerge within hotel chain portfolios, providing differentiation and opening up ancillary

revenue stream options Strongly agree 590 Respondents http://images.watoday.com.au/2010/04/28/1388729/Armani Hotel Dubai 24 -600x400.jpg

By 2020 we will see the emergence of a new breed of unbranded hotel group, offering 'white label solutions'- including sophisticated marketing, very high standards of service and advanced technology support while allowing owners to develop their own brands



Hotels will use discount offers to capture a share of pre- and post-trip travel spend e.g. purchase of luggage, clothing, transportation, insurance, duty free etc.



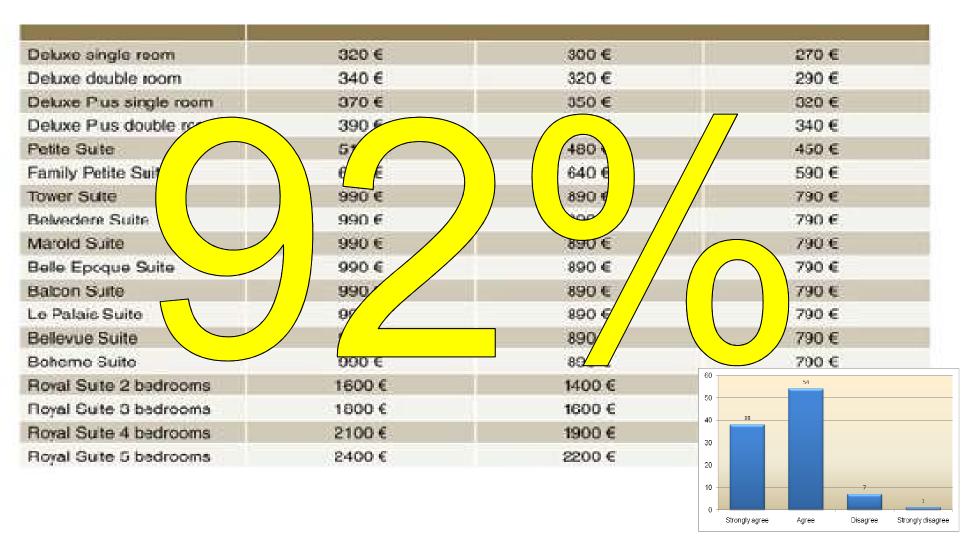
Hotels will increasingly provide additional business services e.g. translation, access to legal and accounting advice, secretarial support, company formation, organization of small meetings, etc





Pricing

In a highly automated world, there will be a range of customers at every price point who are willing to pay for personal service



610 Respondents

Hotel Categorization may Need to Evolve to Focus More on Service Than Facilities



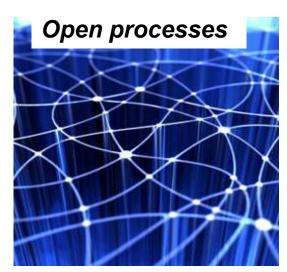
Mapping a Path to 2020 Strategic Management Imperatives



Scenario based planning





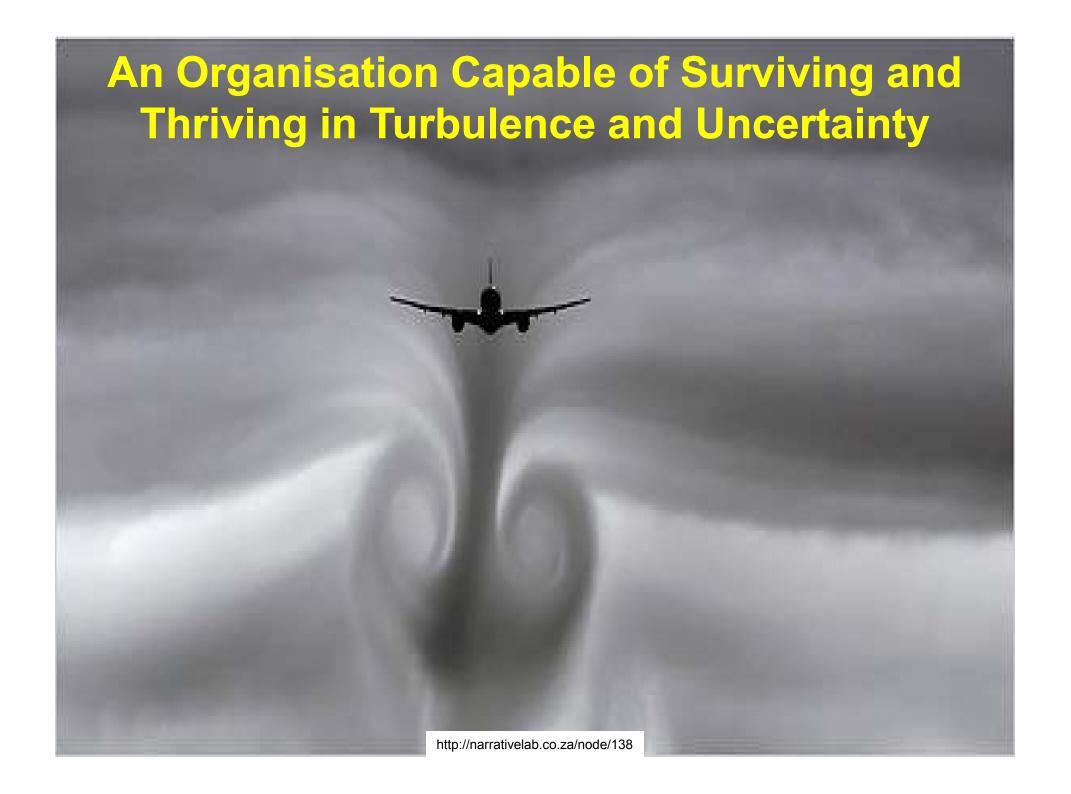


Rapid implementation



Tomorrow's workforce





Deep Understanding of an Increasingly Geographically, Financially, Generationally and Attitudinally Diverse and Rapidly Evolving Customer Base



http://cdn.content.compendiumblog.com/uploads/user/2c9b66c6-7b80-4006-afb9-8204439bca12/e1cdd96d-84fe-40ea-82c2-4c73f42457f7/Image/acf02daad3a3d33d95d9d23529a70fc7.jpg

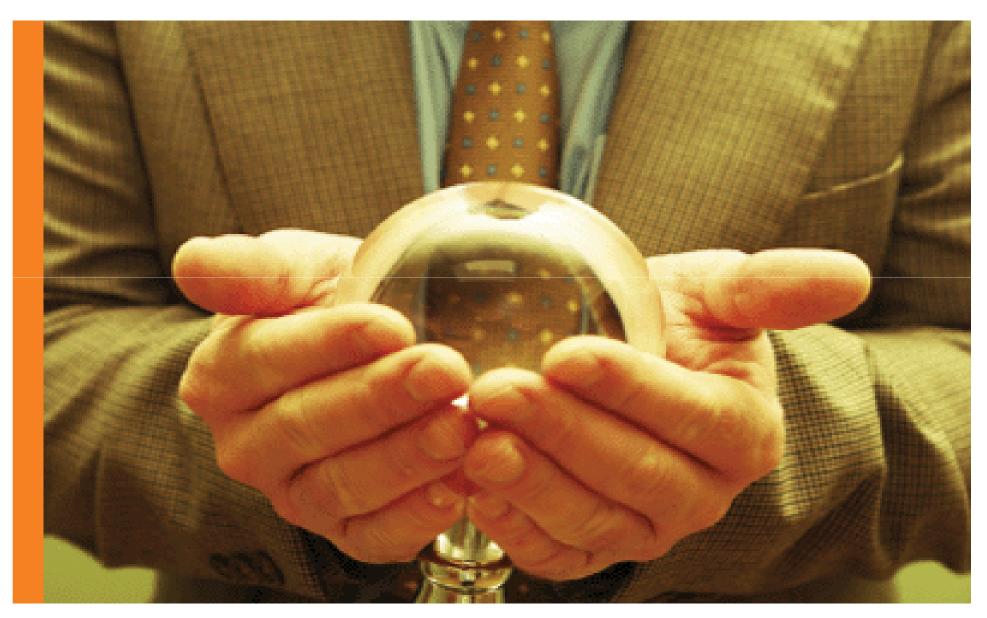


Connected, Adaptive and Predictive



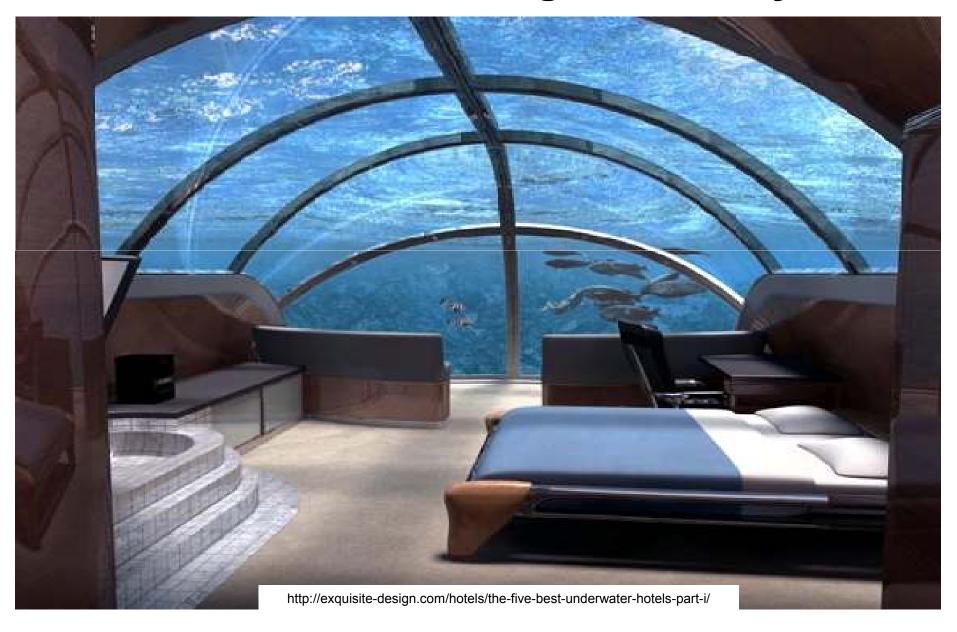


Asset Light, Insight Rich



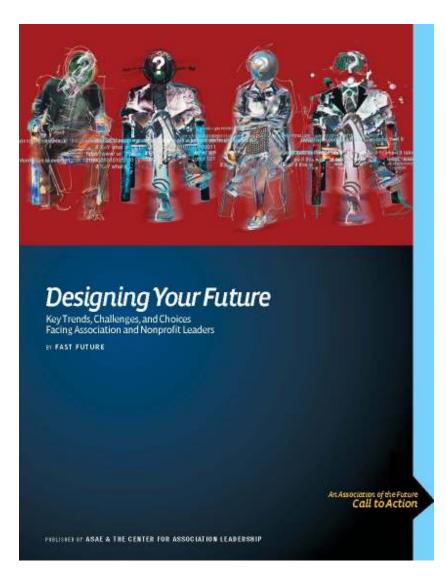
http://www.sybase.jp/detail?id=1056075

Continuous Evolution – the Hotel as a Living Laboratory



Conclusion Designing Your Future

- All to play for
- Stay on top of key trends and drivers
- Curiosity and Magnetism are key
- Experiment





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Thank you

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Hotels 2020 Report: http://www.amadeus.com/hotelit

Web / Newsletter: www.fastfuture.com

Convention 2020 Study: www.convention-2020.com

Twitter http://twitter.com/fastfuture

Blog http://widerhorizons.wordpress.com

LinkedIn http://www.linkedin.com/in/talwar

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- Research, consulting, speaking, leadership
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 - Vancouver Airport Services
 - Siemens Airport Services
 - EADS
 - Mauritius Duty Free
 - Amadeus / Travelport
 - Qatar Airlines
 - Saudi Tourism Commission
 - Intercontinental Hotels
 - Governments in Dubai, Finland, Nigeria,
 Singapore, UK, US
 - Industry Associations
 - GE, Nokia, Pepsi, IBM, Intel, Samsung, GSK



Fast Future – Tourism and Meetings Industry Services

- Briefings and workshops for executive management and boards of hotels, airlines, venues, CVB's and associations
- Customised research on trends, technologies and new markets
- Development of strategies and business plans
- 'Deep dives' on key trends and technology developments
- Consultancy and workshop facilitation on innovation and new business models

Convention 2020

- Global strategic foresight study to help the meetings industry prepare for the decade ahead - Industry-wide Sponsors
- Multiple outputs Nov 2009 December 2011
- Initial survey designed to stimulate thinking about the next 10 years
- Latest survey on issues / strategies / business models for 2011 & 2015































Future Convention Cities Initiative

- Cities that want to be at the leading edge of delivering business events
- Focus on maximising long term economic benefit of events
- Research, sharing of expertise and best practices
- Meet four time a year











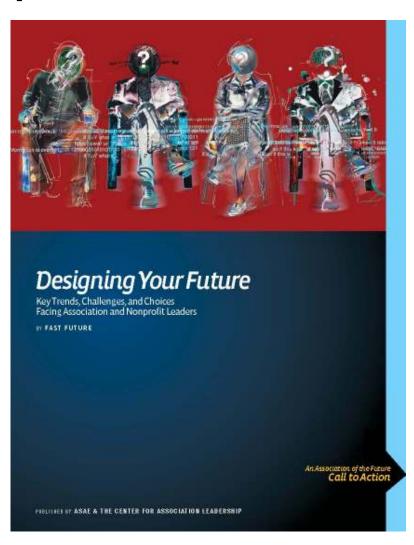




Designing Your Future

Key Trends, Challenges and Choices Facing Association and Nonprofit Leaders

- 50 key trends
- 100 emerging trends
- 10 major patterns of change
- Key challenges and choices for leaders
- Strategic decision making framework
- Scenarios for 2012
- Key futures tools and techniques
- Published August 2008
- Price £49.95 / €54.95 / \$69.95
- Email invoice request to rohit@fastfuture.com



Rohit Talwar

- Global futurist and founder of Fast Future Research.
- Award winning speaker on future insights and strategic innovation – addressing leadership audiences in 40 countries on 5 continents
- Author of Designing Your Future Published 08/2008
- Profiled by UK's Independent Newspaper as one of the Top 10 Global Future Thinkers
- Led futures research, scenario planning and strategic consultancy projects for clients in telecommunications, technology, pharmaceuticals, banking, travel and tourism, environment, food and government sectors
- Clients include 3M, BBC, BT, BAe, Bayer, Chloride, DTC De Beers, DHL, EADS, Electrolux, E&Y, GE, Hoover, Hyundai, IBM, ING, Intel, KPMG, M&S, Nakheel, Nokia, Nomura, Novartis, OECD, Orange, Panasonic, Pfizer, PwC, Samsung, Shell, Siemens, Symbian, Yell, numerous international associations and governments agencies in the US, UK, Finland, Dubai, Nigeria, Saudi Arabia and Singapore.
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